Clearances: L/PM – Schildge ok NSC – Nilsson ok T – Katsapis ok PM/CPA – Greer ok

PM/DDTC – RSKovac H – Nickel ok PM/DTCL– Maloney

Dear Madam Speaker:

Pursuant to Section 36(d) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the manufacture of significant military equipment abroad.

The transaction contained in the attached certification involves the export of defense articles, including technical data, and defense services for the manufacture of the AN/GPA-124 IFF Coder/Decoder and the AN/GPM-64 Test Set for the Ministry of Defense of Japan.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 053-09

The Honorable

Nancy Pelosi,

Speaker of the House of Representatives.

DEPARTMENT OF STATE TRANSMITTAL NO. DDTC 053-09 CERTIFICATION OF PROPOSED ISSUANCE OF AN EXPORT LICENSE PURSUANT TO SECTION 36(d) OF THE ARMS EXPORT CONTROL ACT

- (1) <u>Foreign Country or International Organization to Which Export Will Be Made:</u> Japan
- (2) <u>Dollar Value of the Proposed Export</u>:

(a) Current Notification Value: \$45,000,000

(b) Total Value: Initial Notification

(3) <u>Description of the Transaction:</u>

- (a) Current license application: BAE Systems Incorporated proposes to amend an ongoing Manufacturing License Agreement with Totsu Denshi Company Limited and Toyo Radio Systems Company Limited Japan to transfer technical data and defense services for the manufacture of the AN/GPA-124 IFF Coder/Decoder and the AN/GPM-64 Test Set for the Ministry of Defense of Japan. This amendment extends the duration of the agreement until 2018 and increases the value of hardware manufactured abroad. This manufacturing license was originally authorized under AG 179-79 issued September 25, 1979 at a value of \$22,500,000. However, after an extensive review of files related to this agreement, it could not be determined if this original export was ever notified pursuant to Section 36(d).
- (b) Total Scope: Initial Notification
- (4) Offset Arrangement: None.
- (5) <u>Authorized Sales Territory</u>: Japan
- (6) <u>Date Certification Delivered to Congress</u>:

 $\underline{\text{NOTE}}$: This report, although unclassified, is derived from information submitted to the Department of State by the applicant which is subject to the confidentiality requirements of section 38(e) of the Arms Export Control Act. Disclosure of an applicant's prices and customers could result in competitive injury.

Dear Madam Speaker:

Pursuant to Section 36(d) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the manufacture of significant military equipment abroad.

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Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 053-09

The Honorable

Nancy Pelosi,

Speaker of the House of Representatives.

Dear Mr. Chairman:

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Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 053-09

The Honorable

John F. Kerry, Chairman,
Committee on Foreign Relations,
United States Senate.

Dear Senator Lugar:

Pursuant to Section 36(d) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the manufacture of significant military equipment abroad.

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Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 053-09

The Honorable
Richard G. Lugar,
Committee on Foreign Relations,
United States Senate.

Dear Ms. Ros-Lehtinen:

Pursuant to Section 36(d) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the manufacture of significant military equipment abroad.

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Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 053-09

The Honorable
Ileana Ros-Lehtinen,
Committee on Foreign Affairs,
House of Representatives.

Dear Mr. Chairman:

Pursuant to Section 36(d) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the manufacture of significant military equipment abroad.

The transaction contained in the attached certification involves the export of defense articles, including technical data, and defense services for the manufacture of the AN/GPA-124 IFF Coder/Decoder and the AN/GPM-64 Test Set for the Ministry of Defense of Japan.

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Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 053-09

The Honorable

Howard L. Berman, Chairman, Committee on Foreign Affairs, House of Representatives.

Dear Mr. President:

Pursuant to Section 36(d) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed manufacturing license agreement for the manufacture of significant military equipment abroad.

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More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Richard R. Verma Assistant Secretary Legislative Affairs

Enclosure:

Transmittal No. DDTC 053-09

The Honorable

Joseph R. Biden, Jr.,

President of the Senate.